

ASSIGNMENT OF LEASE

APR 14 1975-11 10 AM

INTERSTATE COMMERCE COMMISSION

FOR VALUE RECEIVED, and as collateral security for any and all indebtedness (including without limitation principal, interest, commitment fee and other sums and amounts, if any) now or at any time hereafter owing under that certain Term Loan Agreement (the Agreement) dated as of December 31, 1973 between CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO (Assignee) and LINCOLN INDUSTRIES, INC. (Assignor), Assignor hereby sells, assigns, transfers and sets over unto Assignee all right, title and interest of Assignor in and to all rents and other moneys, proceeds and sums due and to become due under that certain Lease dated May 1, 1973 (Lease), between Assignor as lessor and Lincoln Grain, Inc. (Lessee) covering 125 - 4,750 cubic feet covered hopper cars (hereinafter called "Leased Equipment") bearing Grains's car numbers set forth in Schedule 1 annexed hereto and hereby made a part hereof.

In addition to the foregoing, Assignor hereby further sells, assigns and transfers and sets over unto Assignee all of Assignor's right, title and interest in and to the Lease, and all Leased Equipment, it being hereby agreed that Assignee may at any time or from time to time hereafter enforce the Lease and any or all remedies of Assignor thereunder and exercise any or all of the rights, powers and privileges of Assignor under the Lease to such extent and in such manner as Assignee shall, in its sole discretion, elect.

Assignee shall have the right, in its sole discretion to perform or cause to be performed all or any of Assignor's covenants, duties and obligations as lessor under the Lease; provided, however, that nothing herein shall be deemed to obligate Assignee to perform any of such covenants, duties and obligations or to relieve Assignor of any obligation to do so.

Assignor agrees to perform all of its duties and obligations under the lease, and to take all such action as Assignee may from time to time reasonably request, in Assignor's name or otherwise, to enforce performance of the Lease by Lessee or to exercise or enforce any rights, privileges, or remedies of Assignor under the Lease, all in such manner and to such extent as Assignee shall direct.

PROVIDED, nevertheless, that this assignment shall terminate when all of Assignor's obligations to pay principal, interest, and other sums and amounts, if any, under the Agreement shall have been satisfied in full and Assignee shall have no further obligation to make loans to Assignor thereunder.

Assignor does hereby designate and appoint Assignee, the true and lawful attorney of Assignor, with power irrevocable, for Assignor and in its name, place and stead to ask, demand, receive, receipt and give acquittances for any and all claims or amounts which may be or become due or payable by Lessee under or in connection with the Lease and in the discretion of Assignee to file any claim or to take any other action or proceeding whatsoever under or in connection therewith, and Assignee is specifically authorized to endorse the name of Assignor on

checks or other instruments tendered or received in payment or settlement of any such claims or amounts.

Subject to any written agreement(s) to the contrary which may at any time or from time to time be entered into by Assignor, Assignee and Lessee, Lessee is hereby directed to draw all checks and drafts for any amounts now or hereafter due or owing by Lessee under or in connection with the Lease, payable to Assignee, and to transmit the same directly to Assignee as follows:

Manager, Loan Division
Continental Illinois National Bank
and Trust Company of Chicago
Lock Box H
Chicago, Illinois 60693

Assignee shall apply the moneys, sums and amounts received by Assignee pursuant hereto in payment of indebtedness of Lessor under the Agreement. Lessee is hereby expressly relieved of all liability, duty or obligation to see to the use or application by Assignee of the moneys, sums and amounts, or any part thereof, received by Assignee pursuant hereto.

If contrary to the provisions of this Assignment of Lease, any moneys, checks or drafts for any amount now or hereafter due or owing to Assignor under or in connection with the Lease shall be received by Assignor direct from Lessee, the same shall be received by Assignor on express trust for Assignee; and Assignor covenants and agrees that it will immediately pay or deliver the same to Assignee in the identical form received by Assignor (with such endorsements by Assignor thereon, however, as Assignee may request) without commingling the same with any of Assignor's funds or property.

This Assignment shall be binding on Assignor and its successors and assigns and shall inure to the benefit of Assignee and its successors and assigns.

IN WITNESS WHEREOF, the parties have caused this instrument to be duly executed as of this 31st day of December, 1973.

LINCOLN INDUSTRIES, INC.

By

William D. Lucio
President

ATTEST:

Bill C. Macy
Secretary

CONTINENTAL ILLINOIS NATIONAL BANK
AND TRUST COMPANY OF CHICAGO

By

Serge L. Delmonico
Vice President

ATTEST:

Mr. Heidstrom
Assistant Cashier
Operations Officer

CONSENT

The undersigned hereby consents to the foregoing Assignment of Lease and to all of the provisions thereof.

LINCOLN GRAIN, INC.

By

William D. Lucio
President

ATTEST:

Bill C. Macy
Secretary

STATE OF NEBRASKA)
) SS:
COUNTY OF LANCASTER)

On this 28 day of March, 1974, before me personally appeared William D. Kline, to me personally known, who being by me duly sworn, says that he is the President of Lincoln Industries, Inc., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

David C. McKinnitt
Notary Public

My Commission expires: 12-24-74

STATE OF ILLINOIS)
) SS:
COUNTY OF COOK)

On this 22ND day of APRIL, 1974, before me personally appeared GEORGE L. SCAVEPPERT, to me personally known, who being by me duly sworn, says that he is Vice President of Continental Illinois National Bank and Trust Company of Chicago, that one of the seals affixed to the foregoing instrument is the corporate seal of said Bank, that said instrument was signed and sealed on behalf of said Bank by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Board.

Donald J. Radaszewski
Notary Public

My Commission expires: FEB 25 1977

STATE OF NEBRASKA)
)
COUNTY OF LANCASTER) SS:

On this 28 day of March, 1974, before me personally appeared William S. Davis, to me personally known, who being by me duly sworn, says that he is President of LINCOLN GRAIN, INC., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

William S. Davis
Notary Public

My Commission expires: 12-24-74

Schedule 1

One Hundred Twenty-Five (125) 4,750 cu. ft. covered hopper cars from U. S. Railway Equipment Company, numbers LGIX100 through LGIX224.

Second: To the payment of the indebtedness secured by this mortgage, with interest and attorney's fees.

Third: Any excess shall be paid to the Parties or their assigns.

(c) The Bank may proceed in action or actions in any court or courts of competent jurisdiction to foreclose this mortgage.

The provisions of this mortgage shall be binding upon the successors and assigns of the Parties, and shall inure to the benefit of the successors and assigns of the Bank.

IN WITNESS WHEREOF, the undersigned, have caused this instrument to be executed in its name by its duly authorized officer this 31st day of March, ¹⁹⁷⁵1972.

MALLARD TRANSPORTATION COMPANY

By: Peter C. Walter
Peter C. Walter, President

STATE OF OKLAHOMA)
COUNTY OF TULSA) ss

On this 31st day of March, ¹⁹⁷⁵1972, before me appeared Peter C. Walter, to me personally known, who being by me duly sworn, did say that ~~they~~ executed the foregoing instrument as their free and voluntary act and deed for the uses and purposes therein set forth.

Witness my hand and official seal the day and year last above written.

My commission expires My Commission Expires May 11, 1978

STATE OF OKLAHOMA)
COUNTY OF TULSA) ss (CORPORATION ACKNOWLEDGMENT)

On this 31st day of March, 1975, before me, the undersigned, a Notary Public in and for the County and State aforesaid, personally appeared Peter C. Walter to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its President and acknowledged to me that he executed the same as his free and voluntary act and deed, and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.

My Commission Expires:

Notary Public

My Commission Expires May 11, 1978

The assembling, delivery, storage and transporting of the Units as hereinbefore provided shall be at the expense and risk of the Lessee and are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the premises the Lessor shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee so to assemble, deliver, store and transport the Units. During any storage period, the Lessee will permit the Lessor or any person designated by it, including the authorized representative or representatives of any prospective purchaser of any such Unit, to inspect the same; provided, however, that the Lessee shall not be liable except in the case of negligency of the Lessee or of its employees or agents for any injury to, or the death of, any person exercising, either on behalf of the Lessor or any prospective purchaser, the rights of inspection granted under this sentence.

Without in any way limiting the obligation of the Lessee under the foregoing provisions of this §9, the Lessee hereby irrevocably appoints the Lessor as the agent and attorney of the Lessee, with full power and authority, at any time while the Lessee is obligated to deliver possession of any Unit to the Lessor, to demand and take possession of such Unit in the name and on behalf of the Lessee from whomsoever shall be in possession of such Unit at the time.

SECTION 10. Assignment; Possession and Use. This Lease shall be assignable in whole or in part by the Lessor without the consent of the Lessee, but the Lessee shall be under no obligation to any assignee of the Lessor except upon written notice of such assignment from the Lessor. All the rights of the Lessor hereunder shall inure to the benefit of the Lessor's assigns. Whenever the term Lessor is used in this Lease it shall apply and refer to each such assignee of the Lessor.

So long as the Lessee shall not be in default under this Lease, the Lessee shall be entitled to the possession and use of the Units, in accordance with the terms of this Lease but, without the prior written consent of the Lessor, the Lessee shall not assign or transfer its leasehold interest under this Lease in the Units or any of them. The Lessee, at its own expense, will promptly pay or discharge any and all sums claimed by any party which, if unpaid, might become a lien, charge, security interest or other encumbrance (other than an encumbrance created by the Lessor or resulting from claims against the Lessor not related to the ownership of the Units) upon or with respect to any Unit (other than upon or with respect to the leasehold rights of the Lessee hereunder in and to the Units) including any accession thereto or the interest of the Lessor or the Lessee therein, and will promptly discharge any such lien, claim, security interest or encumbrance which arises. The Lessee shall not, without the prior written consent of the Lessor, part with the possession or control of, or suffer or allow to pass out of its possession or control, any of the Units, except to the extent permitted by the provisions of the immediately succeeding paragraph.

So long as the Lessee shall not be in default under this Lease, the Lessee shall be entitled to the possession of the Units and to the use of the Units by it or any affiliate upon lines of railroad owned or operated by it or any such affiliate or upon lines of railroad over which the Lessee or any such affiliate has trackage or other operating rights or over which railroad equipment of the Lessee or any such affiliate is regularly operated pursuant to contract, and also to permit the use of the Units upon connecting and other carriers in the usual interchange of traffic, but only upon and subject to all the terms and conditions of this Lease; provided, however, that the Lessee shall not assign or permit the assignment of any Unit to service involving the regular operation and maintenance thereof outside the United States of America. The Lessee may receive and retain compensation for such use from other railroads so using any of the Units. So long as the Lessee shall not be in default under this Lease, the Lessee shall be entitled to sublease the Units to any railroad corporation incorporated under the laws of any state of the United States of America or the District of Columbia; provided, however, that the rights of any such sublease are made expressly subordinate to the rights and remedies of the Lessor under this Lease.

Nothing in this §10 shall be deemed to restrict the right of the Lessee to assign or transfer its leasehold interest under this Lease in the Units or possession of the Units to any railroad corporation incorporated under the laws of any state of the United States of America or the District of Columbia (which shall have been duly assumed the obligations of the Lessee hereunder) into or with which the Lessee shall have become merged or consolidated or which shall have acquired the property of the Lessee as an entirety or substantially as an entirety, provided that such assignee or transferee will not, upon the effectiveness of such merger or consolidation, be in default under any provision of this Lease.

SECTION 11. Purchase and Renewal Options. Provided that this Lease has not been earlier terminated and the Lessee is not in default hereunder, the Lessee may, by written notice delivered to the Lessor not less than three months prior to the end of the original term of this Lease or such original term as extended in the manner hereinafter set forth, as the case may be, (A) elect to extend the term of this Lease in respect of all, but not fewer than all, of such Units then covered by this Lease, for three additional terms of one year each commencing on the scheduled expiration of such original or extended term, as the case may be, at a rental payable in semi-annual payments in arrears, each in an amount equal to the "Fair Rental Value" of such Units, such semi-annual payments to be made on May 15 and November 15 in each year of the applicable extended term and (B) to purchase all but not

fewer than all of the Units then covered by this Lease for a purchase price equal to the "Fair Market Value" of such Units as of the end of such term original or extended term.

Fair Market Value shall be determined on the basis of and shall be equal to, the value which would obtain in an arm's-length transaction between an informed and willing buyer-user (other than (i) a lessee currently in possession or (ii) a used equipment dealer) and an informed and willing seller under no compulsion to sell and, in such determination, costs of removal from the location of current use shall not be a deduction from such value.

Fair Rental Value shall be determined on the basis of, and shall be equal in amount to, the value which would obtain in an arm's-length transaction between an informed and willing lessee-user (other than a lessee-user currently in possession) and an informed and willing lessor under no compulsion to lease and, in such determination, costs of removal from the location of current use shall not be a deduction from such value.

If on or before two months prior to the expiration of the term of this Lease, or extended term hereof, as the case may be, the Lessor and the Lessee are unable to agree upon a determination of the Fair Market Value or the Fair Rental Value of the Units, such value shall be determined in accordance with the foregoing definitions by a qualified independent Appraiser. The term Appraiser shall mean such independent appraiser as the Lessor and the Lessee may mutually agree upon, or failing such agreement, a panel of three independent appraisers, one of whom shall be selected by the Lessor, the second by the Lessee and the third designated by the first two so selected. The Appraiser shall be instructed to make such determination within a period of 30 days following appointment, and shall promptly communicate such determination in writing to the Lessor and the Lessee. The determination so made shall be conclusively binding upon both Lessor and Lessee. The expenses and fee of the Appraiser shall be borne by the Lessee.

SECTION 12. Return of Units upon Expiration of Term. The Lessor intends to retain the Units for re-lease or sale at the expiration of the term of this Lease. As soon as practicable on or after the expiration of the term of this Lease with respect to any Unit, the Lessee will (unless the Unit is sold to the Lessee), at its own cost and expense, at the request of the Lessor, deliver possession of such Unit to the Lessor upon such property of the Lessee as the Lessee may designate, or, in the absence of such designation, as the Lessor may select, and permit the Lessor to store such Unit on such property for a period not exceeding three months and transport the same, at any time within such three-month period, to any reasonable place on the lines of railroad operated by the Lessee, or to any connecting carrier for shipment, all as directed by the Lessor; the movement and storage of such Unit to be at the expense and risk of the Lessee. During any such storage period

the Lessee will permit the Lessor or any person designated by it, including the authorized representative or representatives of any prospective purchaser of such Unit, to inspect the same; provided, however, that the Lessee shall not be liable, except in the case of negligence of the Lessee or of its employees or agents, for any injury to, or the death of, any person exercising, either on behalf of the Lessor or any prospective purchaser, the rights of inspection granted under this sentence. The assembling, delivery, storage and transporting of the Units as hereinbefore provided are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the premises, the Lessor shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee so to assemble, deliver, store and transport the Units. If Lessor shall elect to abandon any Unit which has suffered a Casualty Occurrence or which after the expiration of this Lease the Lessor shall elect to abandon, it may deliver written notice to such effect to the Lessee and the Lessee shall thereupon assume and hold the Lessor harmless from all liability arising in respect of any responsibility of ownership thereof, from and after receipt of such notice. The Lessor shall execute and deliver to the Lessee a bill of sale or bills of sale transferring to the Lessee, or upon its order, the Lessor's title to and property in any Unit abandoned by it pursuant to the immediately preceding sentence. The Lessee shall have no liability to the Lessor in respect to any Unit abandoned by the Lessor after termination of the Lease; provided, however, that the foregoing clause shall not in any way relieve the Lessee of its obligations pursuant to §6 hereof to make payments equal to the Casualty Value of any Unit experiencing a Casualty Occurrence while this Lease is in effect.

SECTION 13. Opinion of Counsel. The Lessee will deliver to the Lessor the written opinion of counsel for the Lessee, addressed to the Lessor in scope and substance satisfactory to the Lessor to the effect that:

A. the Lessee is a duly organized and existing corporation under the laws of the State of Delaware, and is in good standing;

B. all acts, things and conditions required by law, the Articles of Incorporation, and the By-Laws of the company to authorize the execution of the Lease and to make such document when executed and delivered the legal, valid, and binding obligations of the Lessee have been duly performed;

C. no consent of stockholders is required as a condition to the validity of the Lease;

D. the execution and delivery by the company of said Lease and performance by the company of its obligations thereunder will not violate any provisions of law, or of the Articles of Incorporation, or By-Laws of the company or any agreement, indenture, note, or other instrument known to counsel which is binding upon the company;

E. no action by any governmental agency is necessary to the legality and validity of the execution of the Lease.

SECTION 14. Recording; Expenses. The Lessee will cause this Lease to be filed and recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act. The Lessee will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register, record (and will refile, re-register, deposit and redeposit or re-record whenever required) any and all further instruments required by law or reasonably requested by the Lessor for the purpose of proper protection of the Lessor's interests in the Units, or for the purpose of carrying out the intention of this Lease; and the Lessee will promptly furnish to the Lessor evidences of all such filing, registering, depositing or recording, and an opinion or opinions of counsel for the Lessee with respect thereto satisfactory to the Lessor. This Lease shall be filed and recorded with the Interstate Commerce Commission prior to the delivery and acceptance hereunder of any Unit.

The Lessor and the Lessee will each bear the respective fees and disbursements, if any, of their respective counsel.

SECTION 15. Federal Income Taxes. The Lessor, as the owner of the Units, will claim such deductions, credits and other benefits as are provided by the Code to an owner of the property. Lessee agrees that neither it nor any corporation controlled by it, in control of it, or under common control with it, directly or indirectly, will at any time take any action or file any returns or other documents inconsistent with the foregoing and that each of such corporations will file such returns, take such action and execute such documents as may be reasonable and necessary to facilitate accomplishment of the intent thereof.

SECTION 16. Interest on Overdue Rentals. Anything to the contrary herein contained notwithstanding, any nonpayment of rentals and other obligations due hereunder shall result in the obligation on the part of the Lessee promptly to pay, to the extent legally enforceable, interest at the rate of 12% on overdue rentals for the period of time during which they are overdue.

SECTION 17. Notices. Any notice required or permitted to be given by either party hereto to the other shall be deemed to have been given when deposited in the United States certified mails, first-class postage prepaid, addressed as follows:

(a) if to the Lessor, at 50 South LaSalle Street,
Chicago, Illinois 60690,

(b) if to the Lessee, at 176 East Fifth Street,
St. Paul, Minnesota 55101, attention of Assistant Vice
President, Financial Planning Division,

or addressed to either party at such other address as such party shall hereafter furnish to the other party in writing.

SECTION 18. Severability; Effect and Modification of Lease. Any provision of this Lease which is prohibited or unenforceable in any jurisdiction, shall be, as to such jurisdiction, ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

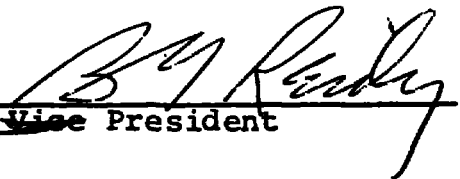
This Lease exclusively and completely states the rights of the Lessor and the Lessee with respect to the Units and supersedes prior agreements, if any, oral or written, with respect to the Units. No variation or modification of this Lease and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized officers of the Lessor and the Lessee.

SECTION 19. Execution. This Lease may be executed in several counterparts and such counterparts together shall constitute but one and the same instrument. Although this Lease is dated as of March 1, 1975, for convenience, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgements hereto annexed.

SECTION 20. Law Governing. The terms of this Lease and all rights and obligations hereunder shall be governed by the laws of the State of Minnesota; provided, however, that the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act.

IN WITNESS WHEREOF, the parties hereto have executed or caused this instrument to be executed as of the date first above written.

NORLEASE, INC.

By 
Vice President

(Corporate Seal)

ATTEST:


Assistant Secretary

BURLINGTON NORTHERN INC.

By 
Vice President

(Corporate Seal)

ATTEST:


Assistant Secretary

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

On this 9th day of April, 1975, before me personally appeared B. T. Rudy, to me personally known, who, being by me duly sworn, says that he is a Vice President of NORLEASE, INC., that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Richard D. Hargrave

(Notarial Seal)

STATE OF MINNESOTA)
) SS
COUNTY OF RAMSEY)

On this 7th day of APRIL, 1975, before me personally appeared FRANK H. COYNE, to me personally known, who, being by me duly sworn, says that he is a Vice President of BURLINGTON NORTHERN INC., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

John H. Mulvey

NOTARY PUBLIC
STATE OF MINNESOTA
COMMISSION EXPIRES 12/31/77

(Notarial Seal)